DOCUMENT RESUME

ED 174 159 HE 011 611

AUTHOR Spence, David S.
TITLE A Profile of Southern Postsecondary Education in the Mid-80s: Implications for Part-Time Enrollment Trends. Issues in Higher Education No. 14.
INSTITUTION Southern Regional Education Board, Atlanta, Ga.
PUB DATE 79
NOTE 9p.

EDRS PRICE MF01/PC01 Plus Postage.
DESCRIPTORS Adult Students; Black Students; *Declining Enrollment; Educational Demand; Educational Finance; *Educational Planning; *Enrollment Trends; Females; Higher Education; *Nontraditional Students; *Part Time Students; Postsecondary Education; Private Colleges; *Southern Schools; State Colleges; Trend Analysis

ABSTRACT

Trends toward part-time enrollment in postsecondary education and implications for states in the Southern Regional Education Board are discussed. It is noted that total enrollment is slowing and may be expected to begin a decline through the mid-80s, and the decline will deepen as full-time students tend to be replaced by students who study part-time. Students older than 24 years of age and women will continue to increase as a share of enrollment, and the growth of part-time study will continue largely because older students, and especially older women students, are less likely to attend full-time. Public two-year colleges and urban universities will be the main growing institutions, due to their attraction for older part-time students. The demand for new faculty will decline sharply, as large surpluses of new doctorates continue. There will be greater emphasis on clarity of institutional missions in both the public and private sectors, and statewide agencies will have increased authority to review institutional programs and budgets, as resources have to be redistributed within systems. (SW)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED174159

HE

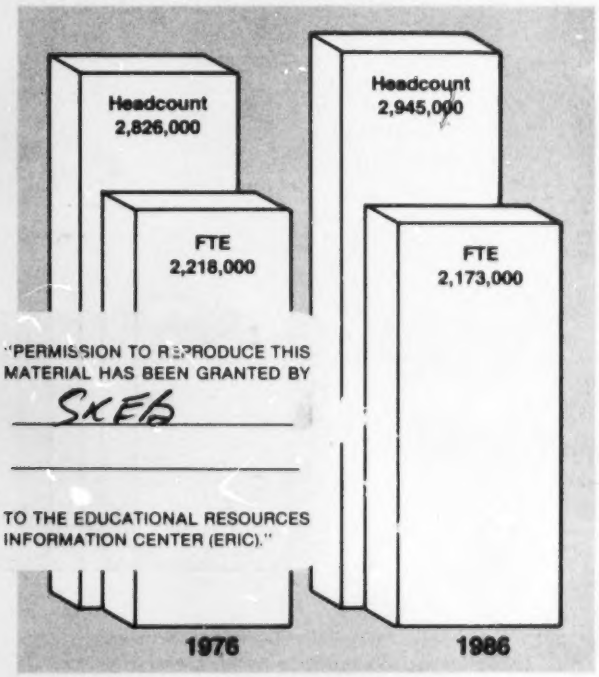
A Profile of Southern Postsecondary Education in the Mid-80s
Implications of Part-Time Enrollment Trends

Older students and women—groups with a higher tendency to enroll part-time—make up an increasing part of all postsecondary enrollment. This growing emphasis on part-time attendance in higher education results in enrollment shifts among types of institutions and particular academic departments within institutions.

Because the part-time student is one key to describing the volume of students and where they will be enrolled in the mid-80s, projections may be misleading if they do not take into account the part-time student's increasing role. For example, institutional finances will be affected by the growing numbers of part-time students, since they pay only a fraction of full-time tuition and as it takes two to three part-time students to generate the same amount of state appropriations as one full-time student.

Figure 1

Headcount and FTE Enrollment, 1976 (actual) and 1986 (projected), SREB States



"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY
SREB
TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

Many institutions and states already adjust for part-time students by changing headcount enrollments (in which every student who enrolls is counted equally, no matter what the course load) to full-time-equivalent (FTE) enrollments, in which the part-time student is counted as less than a full-time student to reflect the lighter course load. Between 1976 and 1986, as part-time study becomes even more prevalent, the gap between headcount and FTE enrollment will widen. This growing difference may be equal to 120,000 potential full-time students electing part-time rather than full-time study (see Figure 1 and page 3).

Older Students

Nationwide, the numbers of 18 to 24 year olds will soon be declining. As the age distribution shifts upward, there will be a larger share of people over 24 years old. A greater proportion of older people in the population also means increased percentages of older students. In 1975, the percent of students over 24 years old was 33.6, compared to only 20.5 percent in 1965 (Figure 2). By 1977, the share had grown to 35.8 percent. Research organizations, such as the Carnegie Council on Policy Studies in Higher Education, forecast increases in the proportion of the increasingly older population that will enroll in college, since these more mature people will have more leisure time, higher personal income, and greater previous experience in education—the latter being the most powerful influence on the enrollment of older people.

While older students will make up larger parts of total enrollment through 1986, it is uncertain whether older people will enroll in enough numbers to bring about increases in total numbers of persons enrolling. A critical point, however, is that older students are more likely to have family and job responsibilities, which require that study be part-time and close to home. Those who pin hopes of enrollment increases on larger numbers of older students must take into account the probable part-time nature of this attendance.

issues in higher education

Southern Regional Education Board
Number 14 in a Series
1979

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
NATIONAL INSTITUTE OF EDUCATION

THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY

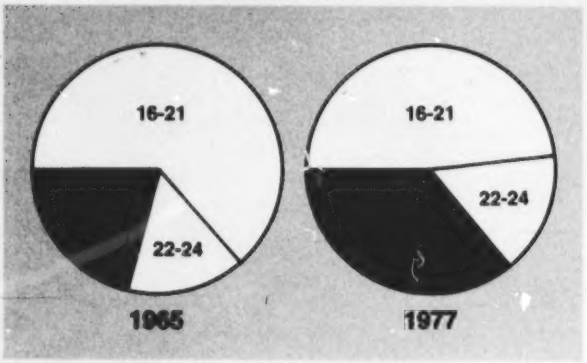
HE 011 611

Women Students

Like older students, women are expected to continue increasing as a proportion of total enrollment. In 1978, women students were 50.1 percent of all Southern enrollment. This represents a continuation of a trend which has seen women grow from 36.5 percent of total enrollment in 1951, to where thay are now — a majority of Southern collegiate enrollment. The greatest change has been in the Seventies.

Figure 2

Distribution of College Enrollment by Age, United States, 1965 and 1977



The extent to which the trend of ever-greater numbers of women enrolling in higher education continues will influence the overall enrollment outlook considerably. The large yearly increases of women students since the late 1960s probably cannot be sustained beyond the mid-80s, and there will be a point at which the percentage of women enrolling will start to level off. As women move closer to the same educational, social and economic patterns which characterize men, they will be subject to many of the same counterforces that have been dampening white male enrollment in the collegiate sector—declining economic value of a college education, competition from non-collegiate sectors of post-secondary education, and earlier entry into the labor market.

Women may still grow as a proportion of total enrollment, even if their enrollment rates do not increase greatly. Between 1976 and 1978, women increased their share of enrollment from 47 to 50 percent due to declines in the participation rates of men as well as to an increase in women's rates. In any event, increases in the women's share of total enrollment may reach as high as 55 to 60 percent according to some estimates. Since larger proportions of women than men students attend college part-time (Table 1), estimates including a larger share of women will also contain a larger percentage of part-time students and while such increases in part-time women students may not affect headcount projections, they will deflate somewhat the FTE projections.

Black Enrollment

Over the last decade the doubling of black enrollment in the South was a major factor, along with the growing number of women and older students, in increasing total enrollment by 50 percent. While blacks may still continue to increase as a proportion of total enrollment, their rate of increase is likely to level off.

Since 1970, as their enrollment has doubled, blacks have increased from 12 to 15 percent of enrollment in the South. Over this time, blacks have continued to make up about 19 percent of the population. Narrowing of the gap has been due mostly to large increases in the rate at which blacks have been going to college during a time when white rates were slowing down. While there is room for the college-going rates of black high school graduates to grow to those of white graduates, any likelihood that black enrollment will continue to increase at the same rate as from 1970 to 1977 would require a sudden increase in the high school graduation rate of blacks, which is still substantially below the white rate.

While black enrollment may not provide the large growth impact it did in the late 1960s and 1970s, it may be expected to add to the increasing proportion of older students in total enrollment, as blacks tend to enroll later than whites. While blacks enroll part-time somewhat less than whites, this difference is decreasing, as black enrollment is growing more at predominantly white than at black colleges. This shift reflects less full-time study, which is especially common at black colleges in the South—a possibility that could seriously affect the black private college sector.

As more blacks attend part-time, black enrollment at two-year institutions is likely to continue to grow. Blacks may also participate in the overall trend toward more upper level and graduate study; they are currently underrepresented at these levels.

Part-Time Enrollment Shares

Part-time students have been increasing more than full-time students since the 1960s both in the United States and in the South (Table 2). Although the proportion of part-time students has always lagged in the South compared to the nation (37.2 percent and 41.3 percent respectively in 1978), this gap has been decreasing since 1967 (Figure 3).

Table 1

Percentage of Students Enrolling Part-time, by Sex, United States and SREB States, 1974, 1977, and 1978

	1974	1977	1978
Men			
United States	34.2	36.9	38.1
SREB States	30.8	32.9	34.2
Women			
United States	38.7	42.8	44.5
SREB States	35.2	38.0	40.1

The smaller share of part-time enrollment in the South until recent years was probably due to the more rural character of the South compared to other regions and to the differences in educational background of its people. The enrollment of women and older students depends greatly on the presence of institutions near the home, while the strongest factor influencing the enrollment of older persons is educa-

tional experience. The South has been catching up fast, both in making higher education more accessible and in raising the educational attainment of its people. The growth of cities and suburbs and the recent expansion of urban universities and community colleges (trends which came later to the South) have fueled this closing of the gap between the South and other regions.

In its projections of FTE enrollment, SREB assumes that the share of part-time enrollment will increase at a modest rate, although a bit faster in the South, as the region continues to narrow the difference between it and the nation.

Table 2
Part-time Enrollment as a Percent of Total Enrollment, United States and SREB States, 1967, 1975, 1978, 1986 (Projected)

	United States	SREB States	Difference U.S.-SREB States
1967	28.7	22.5	6.2
1975	38.8	34.3	4.5
1978	41.3	37.2	4.1
1986 Projected	44.8	41.7	3.1

Kind of Enrollment

The reasons for students enrolling for undergraduate or graduate degrees, or for no specific degree (unclassified), range from a desire for general education and lifelong learning for leisure and recreation to demands for continuing education for professional and occupational recertification

Enrollment Projections Through 1986

SREB estimates that headcount enrollment in the region will increase about four percent between 1976 and 1986, compared to the 90 percent increase experienced between 1966 and 1976. By the mid-80s, full-time-equivalent (FTE) enrollment is expected to decline two percent in the South. Here are the details:

1) Both the nation and the region are expected to have small percentage increases in headcount enrollment between 1976 and 1986, with those in the South being greater (Table A).

2) In both the South and the nation, FTE enrollment is expected to register percentage declines between 1976 and 1986 (Table B).

3) The differences in headcount and FTE enrollment percentage changes are significant (Table C). These differences represent the equivalent of more than a half million fewer full-time students in the nation and more than 140,000 in the region.

4) In comparing regional and national changes in headcount and FTE enrollment, the South experiences a somewhat steeper fall when the shift from headcount to FTE enrollment is made (Table C). This sharper regional difference between headcount and FTE enrollment can be traced to the fact that the South now has a larger proportion of full-time students than the nation as a whole. While the trend in both the region and the nation is for greater proportions of part-time students, it is likely that the South will see a slightly sharper shift to part-time study as the region becomes more like the nation.

5) Important to these 1976-86 FTE projections is that both the United States and the South may expect slight increases from 1976-81 but decreases between 1981 and 1986 (Table B). Again, these FTE increases are larger and the decreases smaller in the region than in the nation. The greater growth and lesser declines in the South's FTE enrollment are due primarily to the region's increasing share of 18 to 35 year olds.

Note: In 1978, the National Center for Education Statistics (NCES) issued its *Projections of Education Statistics to 1986-87*, which provided three sets of headcount and full-time-equivalent projections for the period 1976-86. Actual enrollment levels recorded for 1976-78 point to the low projections as the most likely. Using the National Planning Association's *Regional Economic Projection* (Series 77 R-1), SREB adapted the NCES headcount and full-time-equivalent estimates for the 14 Southern states.

Table A
Projections of Headcount Enrollment, United States and SREB States, 1976, 1981, 1986 (in Thousands)

	Actual	Projected		Percent Change		
	1976	1981	1986	1976-81	1981-86	1976-86
United States	11,012	11,646	11,040	+5.8	−5.2	+0.3
SREB States	2,826	3,043	2,945	+7.7	−3.2	+4.2

Table B
Projections of FTE Enrollment, United States and SREB States, 1976, 1981, 1986 (in Thousands)

	Actual	Projected		Percentage Change		
	1976	1981	1986	1976-81	1981-86	1976-86
United States	8,313	8,517	7,937	+2.5	−6.8	−4.5
SREB States	2,218	2,293	2,173	+3.4	−5.2	−2.0

Table C
Comparison of Headcount to FTE Enrollment Changes, United States and SREB States, 1976-86

	Headcount 1976-86	FTE 1976-86
United States	+0.3	−4.5
SREB States	+4.2	−2.0

and advancement. The level of enrollment, of course, also depends on a person's previous education and on the practicality of full-time study.

In 1976, graduate and unclassified students were more likely to be attending part-time than were undergraduate students (Figure 4). Between now and 1986, as larger shares of older students may be expected to enroll, current levels of graduate and unclassified enrollment should be maintained. Older students will have more education in their background and more income and demand for education as an avocation—all of which point to older people enrolling part-time in advanced graduate courses or as unclassified students not pursuing a specific degree. Graduate and unclassified part-time study fit the lifestyles and educational needs of older students who may be the chief growing group of students in higher education in the mid-80s.

Type of Institution

Of older part-time students, three-quarters of those who attend college for the first time spend their first two years of college at a two-year institution. These colleges tend to be less expensive, more accessible, and more related to occupational interests, all of which are features that fit the needs of older students who may attend college only part of the time (Figure 5).

The growth of the public two-year sector in the South may be expected to continue through 1986 as it has since the 1960s, although at a slower rate. While this growth trend leveled between 1975 and 1977, as the Vietnam veterans used up their educational benefits, the two-year institutions in 1978 were still the primary growing sector, even with the decrease in the enrollment of veterans.

In addition to older students, larger proportions of women students are being drawn to two-year colleges (Figure 6). As with older students, a strong reason is the suitability of the two-year college for part-time students (Table 3). While the enrollment rates of men may be declining some, those of women are increasing, and more of these women are going to two-year institutions. Also, as more students are attending part-time, a greater percentage of them are going to public two-year colleges.

Since part-time students favor public institutions generally (30 percent of public four-year college enrollment is part-time versus 19 percent of the private sector), the public universities and four-year institutions may have their shares reduced less than private institutions by the move to two-year colleges. However, any drop in the private sector's share of FTE enrollment will be lessened some by its greater attraction to full-time students.

Figure 3

Part-Time Enrollment as a Percent of Total Enrollment, U.S. and SREB States, 1967, 1975, 1978, 1986 (projected)

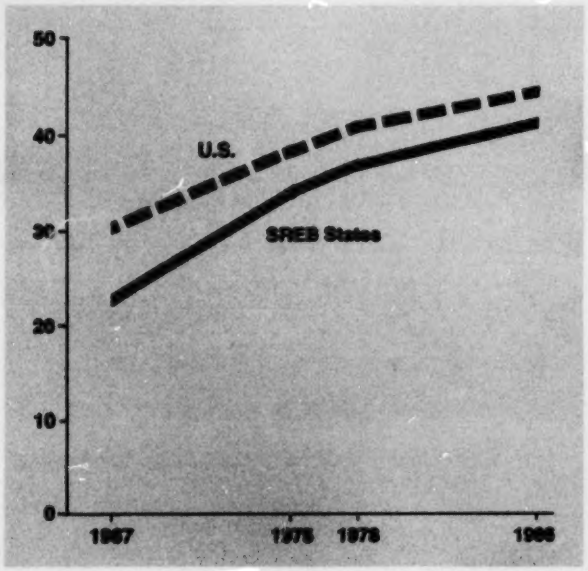


Table 3

Percent of All Part-time Students Attending Two-Year and Four-Year Institutions, United States and SREB States, 1967, 1975, 1978

	1967	1975	1978
Two-Year			
United States	33	51	54
SREB States	26	46	50
Four-Year			
United States	67	49	46
SREB States	74	54	50

It is likely that four-year colleges, both public and private, will sustain much of the enrollment decline (Table 4). While universities have not grown as fast in the 1970s as have other four-year institutions, it has been largely due to their choosing to limit enrollment and retain their selectivity. With their reputations and resources, universities will be able to maintain or increase their share of total enrollment as they begin to compete with the smaller four-year colleges. The most vulnerable colleges would seem to be the smaller four-year public institutions with large teacher-preparation programs, and private liberal arts colleges, which both depend on younger full-time undergraduates.

It should be noted that this forecast extends past trends and current assumptions. It is likely, however, that the private as well as the public four-year institutions will attempt to change the direction of the trends that have seen the public two-year college become more attractive to women and older students who study part-time. There is evidence that such forces already are operating.

Public-Private Shares

Publicly-controlled institutions in the South increased their share of total enrollment from 75 to nearly 85 percent between 1965 and 1976. This reflected the nationwide trend, although the public sector in the South, in modern times, has always had a larger share of total enrollment than is true nationally. Since 1976, however, the shares have stabilized in the South and in the United States.

Underlying the success private colleges as a group have enjoyed in maintaining their 1976 share of enrollment has been their capacity to increase their enrollment of full-time students at the same rate as they have increased their part-time enrollments. These similar changes in full- and part-time enrollment also led to identical increases in headcount

Table 4
Percent of Total Enrollment by Type of Institution, Headcount and FTE, SREB States, 1972, 1976, 1986 (Projected)

	1972		1976		1986 (Projected)	
	Headcount	FTE	Headcount	FTE	Headcount	FTE
Universities						
Public	23.8	24.6	20.6	22.5	20.5	23.0
Private	4.1	4.4	3.4	3.7	3.0	4.0
Four-Year Institutions						
Public	32.7	33.6	32.5	32.9	30.0	30.5
Private	12.8	13.8	11.3	12.8	9.0	11.0
Two-Year Institutions						
Public	25.3	21.9	31.1	26.8	37.0	31.0
Private	1.5	1.7	1.1	1.3	.5	.5
Totals	100.0	100.0	100.0	100.0	100.0	100.0

and FTE enrollment, unlike the experience of the public sector. Precise forecasting of how public and private colleges will share enrollment by 1986 is risky, given the erratic events of the last three years. The recent stabilizing of shares seems to have resulted from the private colleges maintaining their attraction for and hold on full-time residential students at a time when the relatively new markets of older and part-time commuter students were being tapped by the public institutions. In many cases this is a necessity, not a matter of choice, given the lesser accessibility of many private colleges, which often are not as urban as public colleges.

While private colleges have been able to maintain their FTE enrollments because of their success with full-time students, there may be problems ahead in that the primary pool for full-time residential students (18 to 24 year olds) will start to shrink soon, since it is likely that the all-time largest high school class in this century is graduating in 1979. As potential students age, they will favor part-time study because of job and family responsibilities. Since part-time students go to nearby institutions, the public sector, with its larger number of colleges near population centers, may be expected to attract more of these students.

Therefore, the trend toward larger enrollment shares for the public sector will probably be resumed, though this increase would be even more evident with headcount numbers of students than with FTE enrollments.

Need for New Faculty in the South

Projecting enrollments on an FTE basis can lead to a truer estimate of instructional workload, which tells how many new faculty may be needed in the South from 1976 to 1986. Nearly 70 percent fewer new faculty will be needed in 1986 than in 1976, according to the most likely projections of the demand for new faculty. This also means that fewer faculty with recent doctorates will be in demand (Figure 7). Comparing these projections of demand with the expected supply of doctorates produced in the South alone results in large surpluses, perhaps as high as 80 percent for each year from 1981 through 1986. Already, the excess of recent doctorate recipients relative to faculty openings may be running near 40 percent. The declining demand for new faculty, expected to be especially severe after 1980, is changing the profile of faculty characteristics. The following trends are likely to become even more evident through the mid-80s:

+ Older faculty on the average, as fewer young faculty are hired;
+ Less faculty movement among institutions, as bidding for senior faculty decreases;
+ Continuing decline in faculty salaries, when compared to pay scales of business and industry;
+ Senior faculty leaving for jobs in business and government, as salaries lag;
+ More new doctorates seeking jobs in non-academic sectors;
+ Higher percentage of faculty with tenure, while at the same time more cautiousness about promoting faculty to tenure ranks.

Figure 4
Percent of Students Attending Part-Time, By Level of Enrollment, SREB States, 1976

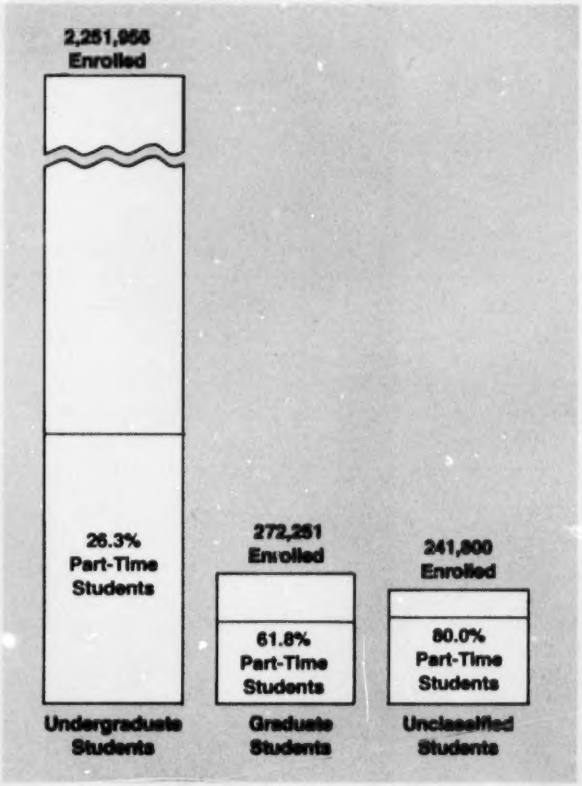
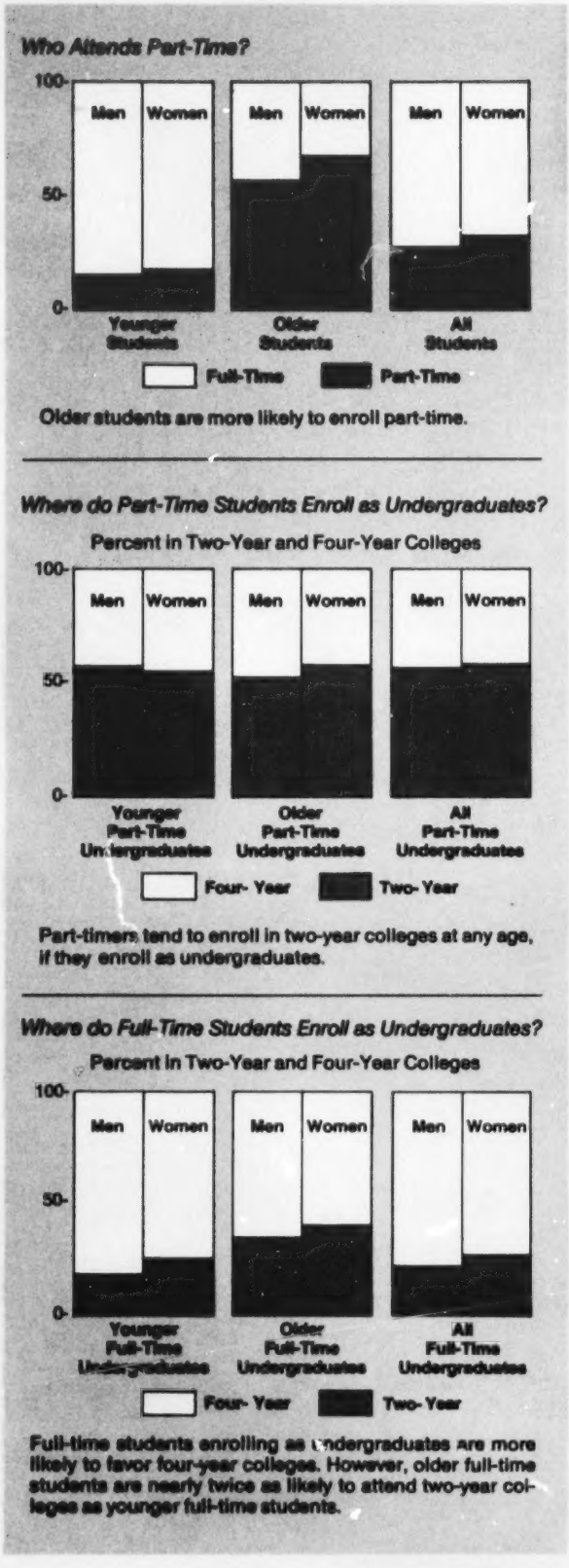


Figure 5


Who Attends Part-Time?
100-
50-
0-
Men
Women
Younger Students
Older Students
All Students
Full-Time
Part-Time
Older students are more likely to enroll part-time.
Where do Part-Time Students Enroll as Undergraduates?
Percent in Two-Year and Four-Year Colleges
Younger Part-Time Undergraduates
Older Part-Time Undergraduates
All Part-Time Undergraduates
Four- Year
Two- Year
Part-timers tend to enroll in two-year colleges at any age, if they enroll as undergraduates.
Where do Full-Time Students Enroll as Undergraduates?
Percent in Two-Year and Four-Year Colleges
Younger Full-Time Undergraduates
Older Full-Time Undergraduates
All Full-Time Undergraduates
Four- Year
Two- Year
Full-time students enrolling as undergraduates are more likely to favor four-year colleges. However, older full-time students are nearly twice as likely to attend two-year colleges as younger full-time students.

The ways in which higher education responds to the consequences of reduced demand for new faculty will largely characterize higher education in the South in 1986. On the one hand, during this period, institutions could raise faculty hiring and promotion standards and even lower student-faculty ratios—responses that may improve quality and which are relatively less expensive during a time when students and faculty numbers are stable, instead of growing. On the other hand, the new supply-demand situation of faculty and the economic uncertainty associated with smaller increases in student numbers will provide grounds on which to push for greater efficiency. Institutions will be more likely to hedge on hiring new people until students actually are enrolled for a year or more.

Implications of the Profile

Clearer Institutional Roles

As enrollments decline overall and funds stabilize, there is likely to be more competition among institutions within state systems and between the public and private sectors. Institutions will try to anticipate whatever may attract bigger parts of the shrinking revenue—items such as enrollment of older and part-time students, applicable kinds of research and public service, and more career-related programs. If such competition is allowed, the results could be unnecessary duplication of programs and dilution of revenue so that quality is lowered.

To check such competition, there is a clear trend toward more systematic planning, which emphasizes the delineation of missions and roles for each institution. The specification of these roles is likely to be more precise and stated in terms specific to each situation, detailing the kinds of students to be served, in what ways, and the levels and kinds of programs to be offered.

Program Review

Growing out of more detailed statements of institutional roles is the need for procedures to put these roles into action by bridging the gap between written (or perhaps statutory) plans and budgeted programs. In keeping with recent trends, stronger forms of program review, including the powers to review and terminate existing programs, are likely. Strong program review, when coupled with precise role statements on the one hand, and more adaptable budget procedures on the other, can lead to budgets that reflect planned roles.

Financing

As enrollment growth evens off or declines for public systems, funding procedures may change. Whether strict quantitative formulas or more subjective criteria have been used, most state systems have in the past tied requests and allocations of funds to the prospect of more students.

States will tend to develop procedures for funding higher education that are appropriate for an era when the emphasis is not on building larger systems but on consolidating what exists. Moreover, since there will be variation within each state, as a few colleges may gain students while others lose enrollment, new funding procedures will need to be applicable to both growth and retrenchment in the same system. If

higher education must continue to ask for more money as enrollments decline, legislators and budget officers are bound to question why resources should not come off as they went on—in strict relationship to enrollment changes.

One consequence of the no-growth situation is that higher education may be expected to justify why resources cannot be reduced at the rates of enrollment decrease. One response will be to divide budgets up into distinct areas that can be analyzed according to how much their costs actually depend on enrollment. Some areas, like instruction, may be very dependent, while others—such as maintenance—may continue at more or less the same level, whether or not enrollment changes. To analyze budgets in such detail may require studies of actual institutional costs and their relationship to enrollment changes. Requests for budgets built on the specific cost-enrollment relationships in each budget area will most likely be granted when there is some assurance that the money, once granted, will be spent in the budget areas requested. Such accountability and control may be the *quid pro quo* for not decreasing funding at rates equal to enrollment decline.

A second consequence of declining enrollments and reduced funding priorities for the financing of higher education is a move toward requesting and allocating budgets by kinds of service. Most budgets, although they may be *requested* by service area, such as instruction, research, or public service, are not *allocated* by service area but by line item, i.e., certain amounts to be spent for salaries, wages, operating expenses, equipment, and so forth. As higher education seeks to document reasons to ask for funds besides enrollment, the emphasis will be on identifying the unique services offered, other than general academic instruction. These services may include remedial instruction, continuing education for older working students, public services such as training for governmental workers, and research on topics such as the problems of energy and social welfare.

A third consequence of stabilized enrollment and overall funding may be the application of a loose form of zero-base budgeting. This may seem a compromise between the traditional incremental way of financing (in which last year's

Figure 6

Percent of All Women Students Attending Two-Year Institutions, United States and SREB States, 1967, 1975, 1978

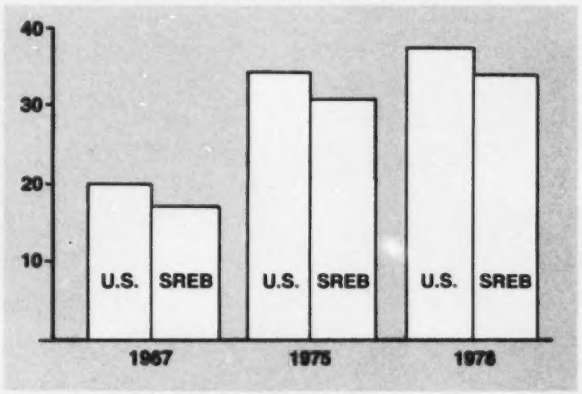
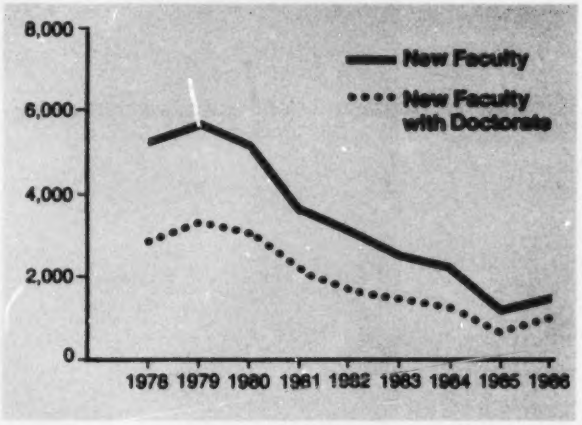


Figure 7

Demand for New Faculty and for New Faculty with a Recent Doctorate, SREB States, 1978-86



Some Circumstances That Could Affect The Profile

More Enrollment

Recession - Higher education may be considered a better investment, as jobs are fewer and lower paying.

Reinstitution of draft - Though there probably would not be student deferments, young men might enroll in greater numbers, as college can be entered and left more easily than employment. Also, more young men would have veterans' benefits to spend on college after service.

Effects of declining enrollments on supply of college graduates - By the mid-80s, fewer graduates may reduce the comfortable supply of college graduates of the 1970s. Potential students may realize that there is a better job market for degree-holders, and enrollments would increase.

Stricter requirements for the continuing education of professionals - Emerging competency standards for teachers as well as codes requiring professionals in medicine, allied health, law, social work and other fields to pursue further education.

Less Enrollment

Economic prosperity - Many well-paying jobs with good advancement opportunities. At the very best, this results in potential full-time students enrolling part-time. At the worst, it results in these persons not enrolling at all.

Worsening oversupply of college graduates in the labor market in certain fields

Parity of women - As women come closer to attaining the same or better educational background as men, their participation rates are likely to stabilize. No longer will more higher education be a clear edge in the economic sector, as educated women will be less scarce.

Final phasing out of Vietnam Veterans' Benefits - By the early 1980s benefits of those who served during the Vietnam buildup will have expired.

programs are automatically carried over and only requested additions are examined), and full zero-base analysis, in which *all* programs are re-examined. Fluctuating enrollment among institutions and stabilized funding for the system may necessitate, for state systems, the cutting of funds from some units to redistribute to others. This reallocation of funds means that new programs at one institution may be linked to the elimination of programs at other units. As soon as established resources have to be retrenched in order to justify new ones, a form of funding which is based on some kind of systematic analysis of the priorities and comparative effectiveness of all programs is likely, not just of the new ones being requested. While comprehensive zero-base budgeting is too detailed to be moved from theory to practice, some of its principles probably can be applied, e.g., the need for regular assessment of how all funded programs are meeting important goals.

Coordination and Governance

In an environment of increased competition for declining enrollments and institutional concern over ways to claim a fair share of the shrinking public funding available to higher education, it will be critical that state systems are seen as making effective use of resources. As funds and enrollments stabilize and other reasons for funding are proposed by higher education, it may become even more important for a state's institutions to speak as a system with organized purpose and priorities.

Even more important, however, is the necessity for judgments to be made about how funds that finally are appropriated will be allocated to colleges in the system. As the shifting of funds and programs across institutions becomes more common, the powers of the state agency to manage such reallocations will be tested.

The state agency increasingly may have to show that the reasons for which money is requested are the functions on which appropriations actually are spent. This need to close the gap between the request and allocation processes may be the most severe test of state agencies if, indeed, credible funding strategies, based on factors other than enrollment, are to be mounted.

While, in theory, coordinating agencies probably could achieve the close management needed, especially in organizing a concerted request strategy, it is more likely that those agencies with governing powers will be able to take what is appropriated, allocate it to institutions, and assure that it is spent in ways that are seen as more accountable by the public.

Summary

☐ Total enrollment is slowing and may be expected to begin a decline through the mid-80s.

☐ The decline will deepen as full-time students tend to be replaced by students who study part-time.

☐ Students older than 24 years of age and women will continue to increase as a share of enrollment.

☐ The growth of part-time study will continue largely because older students, and especially older women students, are less likely to attend full-time.

☐ Public two-year colleges and urban universities will be the main growing institutions, due to their attraction for older, part-time students.

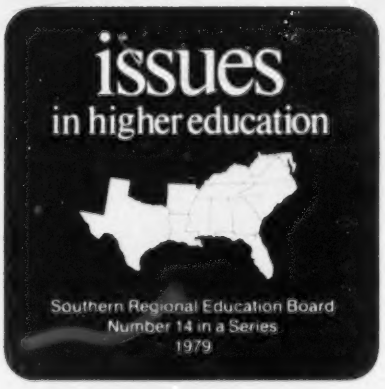
☐ The demand for new faculty will decline sharply, as large surpluses of new doctorates continue.

☐ There will be greater emphasis on clarity of institutional missions in both the public and private sectors.

☐ Statewide agencies will have increased authority to review institutional programs and budgets, as resources have to be redistributed within systems.

Issues in Higher Education No. 14 was prepared by David S. Spence, SREB research associate.

Non-Profit Org.
U. S. POSTAGE
PAID
ATLANTA, GA.
Permit No. 404



130 Sixth Street N.W.
Atlanta, Georgia 30313

When requesting change of address, please enclose above label.